OLL 85-0779 8 March 1985

MEMORANDUM FOR: See Distribution

VIA: Acting Chief, Liaison Division

FROM:

STAT

Liaison Division

SUBJECT: Senator Stevens Retirement Plan: Politics

l. Senator Ted Stevens, (R., AL) remains determined to have his proposal for a supplemental retirement plan approved by the Senate. To this end, he is seeking the full and vocal support of Federal employee unions and groups. When he feels that he has this support, he will move forward: He will introduce his bill, hold hearings, and go after Senate approval.

- 2. Senator Stevens is not yet satisfied that he has strong employee support. He has slowed his time table that initially called for introduction of a bill in early March, hearings to be held through Spring, and passage by the Senate in Summer. He hopes that by holding his proposal in abeyance, employee groups will rally behind him. Until this occurs, Senator Stevens will not move.
- 3. The Senator's key staff members will not state when the Senator will move. The point, they infer, is to scare Federal employees into action. If the union groups believe that there is a chance that Stevens will pull out, they will more likely move quickly to change his mind lest they be stuck with only a plan introduced by an Administration eager to reduce costs. The media is playing into the Senator's hands.
- 4. On 8 March 1985, it was reported in the Washington Post ("Federal Diary" by Mike Causey) that the Senator had decided to withdraw his proposal. The Senator has not made a decision to withdraw his proposal; he is being the consummate politician. It was also reported in this article

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that the hearings on his proposal that were due to begin next week have been postponed indefinitely. There were no hearings scheduled. On the average, information presented in the above cited column is 40 percent accurate and 80 percent redundant. That is unfortunate because employees and managers are misled. While the Agency will continue to stay informed of Congressional plans regarding Federal retirement, the media will continue to report garbled facts.

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